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Before the
FEDERAL COMMUNICATIONS COMMISSION FEDERAL-STATE SOLICITORS BOARD
Washington, D.C. 20554
FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of)
Federal-State Joint Board)
on Universal Service)
_____)

CC Docket No. 96-45

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FURTHER COMMENT ON SPECIFIC QUESTIONS IN UNIVERSAL SERVICE
NOTICE OF PROPOSED RULEMAKING

NATIONAL COALITION FOR THE HOMELESS; AMERICAN WOMEN'S
ROUNDTABLE; CONSUMER ACTION; COMMUNITY TECHNOLOGY
INSTITUTE; 5TH STREET CONNECTION; HEARTLAND ALLIANCE
FOR HUMAN RIGHTS AND NEEDS; INTERSTATE MIGRANT
EDUCATION COUNCIL; MIGRANT LEGAL ACTION PROGRAM;
NATIONAL ASSOCIATION OF MIGRANT EDUCATORS; UNITED
CHURCH OF CHRIST, OFFICE OF COMMUNICATIONS; VERMONT
MIGRANT EDUCATION PROGRAM; WASHINGTON LEGAL CLINIC FOR
THE HOMELESS; AND MARSHA ZASHIN, EDUCATIONAL CONSULTANT
TO CLEVELAND PUBLIC SCHOOLS AND PROJECT ACT

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SUMMARY

The Federal Communications Commission ("FCC" or "Commission") has a statutory obligation under the Telecommunications Act to provide universal service to "all people" living in the United States. The Commission's current definition of universal service fails to provide services that are meaningful to homeless persons or migrant farm workers. For these people, the FCC must define universal service to contain substitutes for basic telephone service, including:

- ▶ subsidized voice mail to non-profit and social service organizations serving homeless persons and migrant farm workers or to those individuals directly;
- ▶ subsidized phone initiation for eligible non-profit organizations serving homeless persons and migrant farm workers through an expansion of the Link Up program or other similar program;
- ▶ reduced telephone access rates for eligible non-profit organizations serving homeless persons and migrant farm workers through an expansion of the Lifeline program or other similar program;
- ▶ subsidized 800 numbers to eligible non-profit organizations serving homeless persons and migrant farm workers;
- ▶ increased availability of urban and rural emergency and public pay phones; and
- ▶ expansion of Link Up to permit more than a one time initiation.

In addition, schools and libraries located in rural, insular and high-cost areas should be given additional discounts to ensure that the children of homeless persons and migrant farm workers are not left off of the information superhighway. However, the FCC should go further and provide additional discounts to those non-profit and social service organizations which already serve homeless persons and migrant farm workers. Discounts to these institutions will result in greater access to telecommunications services that will increase their opportunities to obtain housing and gainful employment, and to gain independence from our welfare system.

Finally, the Coalition¹ endorses the provision of subsidies to those carriers who provide competitive access to telecommunications services for homeless persons and migrant farm workers.

¹ The "Coalition" refers to the undersigned groups, including: National Coalition for the Homeless; American Women's Roundtable; Consumer Action; Community Technology Institute; 5th Street Connection; Heartland Alliance for Human Rights and Needs; Interstate Migrant Education Council; Migrant Legal Action Program; National Association of Migrant Educators; United Church of Christ, Office of Communications; Vermont Migrant Education Program; Washington Legal Clinic for the Homeless; and Marsha Zashin, Educational Consultant to Cleveland Public Schools and Project Act.

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FURTHER COMMENT ON SPECIFIC QUESTIONS IN UNIVERSAL SERVICE
NOTICE OF PROPOSED RULEMAKING

1. Is it appropriate to assume that current rates for services included within the definition of universal service are affordable, despite variations among companies and service areas?

The FCC's first three questions assume all persons have access to residential services and seek comment on what constitutes affordable prices for the residential services enumerated in the FCC's Notice of Proposed Rulemaking.² However, the Commission's presumption is severely flawed because as discussed in great length in the Coalition's original comments and reply comments, approximately 6 million homeless persons do not have residential phone service.³ In addition, many migrant

² Further Comment on Specific Questions In Universal Service, Further Notice of Proposed Rulemaking, CC Dkt. 96-45, released July 3, 1996, Question 1-3 at 3 [hereinafter FNRPM].

³ Comments of the United States Catholic Conference et al. at 4-8.

farm workers are similarly without access to basic telephone service while they are away from their home a significant part of the year.⁴ Thus, neither of these constituencies can utilize any of the basic services provided for by the FCC because they lack the requisite residential telephone.

Yet, the Telecommunications Act of 1996 specifically requires the FCC to provide all people, not just persons with homes or residences, with basic and advanced communications services. The Act's guarantee of universal service states that it is the policy of the United States "to make available, so far as possible, to all the people of the United States, without...discrimination a rapid, efficient, nationwide, and world wide...communication service."⁵ The Act further states that it is the responsibility of the Joint-Board and the Commission "to ensure that *all Americans* share in the benefits of new telecommunication technologies."⁶

Moreover, explicit in the Act is the notion that in order to

⁴ Id.

⁵ 47 USC §151, as amended by the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56, §104 [hereinafter the 1996 Act].

⁶ S. Rep. No. 23, 104th Cong., 1st Sess. 27 (1995).

provide access to telecommunications for all Americans, certain groups require individualized consideration when determining what services should be made available.⁷ For example, Congress directed the FCC to provide for telecommunication relay services to meet the unique needs of persons with disabilities.⁸ In doing so, Congress guaranteed that the Act "leaves no one behind."⁹ A report recently released by the Consumer Federation of America (CFA) and the Benton Foundation also supports this conclusion in finding that "it is perfectly reasonable, even necessary for basic service to be defined differently at different points in time and for different groups."¹⁰

The Coalition strongly supports this interpretation of the Act and agrees that "some groups may not be able to gain access and use of the telecommunications network if they are not provided with specific additional services that may not be required by other segments of the population."¹¹ Homeless

⁷ S. Rep. No. 23, 104th Cong., 1st Sess. 52 (1995).

⁸ 1996 Act §255.

⁹ H.R. Rep. No. 14, 104th Cong., 2nd Sess. 30-31 (1996).

¹⁰ Universal Service: An Historical Perspective and Policies for the 21st Century, Benton Foundation & Consumer Federation of America, July 1996, at 15 (Prerelease Draft).

¹¹ Id.

persons and migrant farm workers are two such groups. They face obstacles to telecommunications access and traditional residential based telecommunications technologies are inadequate to meet their unique needs.

Thus far, only the state of Wisconsin, in implementing its Universal Service policy, has sought to address the unique needs of one of these two constituencies, the needs of homeless persons. Because the Wisconsin Universal Service Fund Council read its statutory mandate as requiring it to meet the telecommunications needs of all persons living in Wisconsin, the Wisconsin Public Utilities Commission (PUC) recently adopted forward-looking rules providing universal service funding for voice mail for homeless persons.¹² The Council concluded that "making telephone accessibility available to the homeless population may help them better assimilate with other citizens and offer improved employment opportunities to these persons. (There is an expectation, at least in the United States, that

¹² The Wisconsin rules require LECs or their affiliates to offer voice-mail service within an exchange to shelters, social service agencies or job service agencies upon request without charge. The provider may request and receive reimbursement only for its incremental usage and administrative costs of providing the service. Wisc. Admin. Code § PSC 160.063 (1996).

someone can be reached by telephone)." ¹³ The Council also found that it enabled homeless persons to more effectively obtain medical and social service benefits. ¹⁴

Not only did Wisconsin determine voice mail to homeless was a good policy, but it also found it could be provided at minimal cost. ¹⁵ Wisconsin is not alone in this finding, as representatives of service providers across the country including US West, ¹⁶ Bell Atlantic NYNEX Mobile, ¹⁷ and Bell South ¹⁸ have all

¹³ Initial Report to the Public Service Commission of Wisconsin, Recommendations on Proposed Rules for Universal Service, Universal Service Fund Council, July 1995, at 15.

¹⁴ Interview with Jeffrey Richter, Wisconsin Public Service Commission, July 30, 1996.

¹⁵ Id.

¹⁶ Interview with Jan Thorton, US West Communications Manager, July 24, 1996. US West currently provides service to 69 agencies in 11 out of 14 states in its service area. A total of 2,034 mailboxes have been assigned, plus training and tracking materials to support the service. Clients are permitted to use the voice mail for a limited time at the discretion of the agency to secure housing and employment. Afterwards the mailbox is recycled for use by another individual. Telecards (phone cards usable in pay phones for local calls) have also been provided to agencies in cities where phones are equipped to accept such cards.

¹⁷ Interview with Public Relations Representative, Bell Atlantic NYNEX, July 22, 1996. Bell Atlantic NYNEX Mobile's Hopeline cellular voice mail service donates voice mail to agencies serving homeless and battered women for free. Bell Atlantic NYNEX has programs in all of its regions. Boxes are distributed to caseworkers who receive and retrieve messages for

similarly concluded the costs of providing voice mail services are minimal.

Given the Act's requirement that all Americans receive telecommunications services and the minimal cost of providing voice mail, the FCC should make voice mail available to qualified non-profit and social service organizations serving homeless persons and migrant farm workers or to eligible individuals directly.¹⁹ However, voice mail only increases their opportunities to receive calls through messages. Universal Service must provide persons with the ability to place calls, as well. Therefore, the FCC should also include in its basic definition of universal service:

their clients. The cost of these services is currently absorbed by their community relations budget and administered by the marketing department

¹⁸ Interview with Representative of Bell South Mobility, July 19, 1996. Bell South Mobility's Opportunity Calls program provides voice mail boxes to homeless shelters at no charge. The shelter then administers the allocation of those boxes to its clients. The program was introduced in Fall 1995 through the Orlando Coalition for the Homeless and is currently being expanded to other shelters in the region.

¹⁹ The Coalition endorses broadly defined federal eligibility requirements, similar to those proposed by CFA for Lifeline and Link Up, allowing for significant discretion at the state level to ensure that only homeless persons and migrant farm workers who lack access to residential phones and the organizations that serve them are entitled to support.

- ▶ subsidized phone initiation for eligible non-profit organizations serving homeless persons and migrant farm workers through an expansion of the Link Up program or other similar program;
- ▶ reduced telephone access rates for eligible non-profit organizations serving homeless persons and migrant farm workers through an expansion of the Lifeline program or other similar program;
- ▶ subsidized 800 numbers to eligible non-profit organizations serving homeless persons and migrant farm workers;
- ▶ increased availability of urban and rural emergency and public pay phones; and
- ▶ expansion of Link Up to permit more than a one time initiation.

Adoption of these services will greatly increase homeless persons' and migrant farm workers' ability to make as well as receive calls. Furthermore, adoption of this definition of universal service is only a narrow expansion of the FCC's proposed definition to a limited group of qualified institutions or eligible persons. These comments demonstrate how the FCC can establish a comprehensive, forward-looking and inclusive universal service policy, at minimal cost, that will ensure that homeless persons and migrant farm workers have access to the most basic telecommunications and information services.

19. Should an additional discount be given to schools and libraries located in rural, insular and high-cost and economically disadvantaged areas? What percentage of telecommunications services (e.g., Internet service) used by schools and libraries in such areas are or require toll calls?

The Coalition strongly supports the provision of additional discounts to schools and libraries located in rural, insular and high-cost and economically disadvantaged areas because these institutions serve many children and adults who will not otherwise receive the benefits of telecommunications services because they do not have a residence.

By the 21st century, "60% of all jobs will require skills in computer and network use."²⁰ Unfortunately, recent statistics show that the gap between access to telecommunications services, such as the Internet, available to poor and rich children continues to widen. Only 31 percent of all schools with poor children have access to the Internet compared to 62 percent of schools with affluent students.²¹ Nationally, only 4 percent of schools have a computer for every five students, and only 9

²⁰ Getting America's Students Ready for the 21st Century: Meeting the Technological Literacy Challenge, United States Department of Education, June 29, 1996.

²¹ AAP Speaker Says Content Will Remain King for Publishers, Educational Marketer, No. 12, Vol. 27, Apr. 15, 1996.

percent of classrooms are connected to the Internet. In schools with large concentrations of low-income students, the numbers are often significantly lower.²² Outside of school, 82 percent of high school students from affluent homes have personal computers at home, while only 14 percent of poor students have such access.²³ In Maine, an advocate exclaims "[t]he only place [poor children] are going to get access to this [the Internet] is in the schools."²⁴ Similarly, in Baltimore, Maryland, several libraries have established Internet and electronic mail accounts for children to supplement their exposure to computers in school finding that poor children do not have access to personal computers at home the way wealthier children do.²⁵

While the Coalition strongly supports the provision of discounts to schools and libraries, the FCC must go even further and extend those discounts to non-profit organizations and social

²² Melinda Mallico, Vice President Gore and Education Secretary Riley Present National Technology Plan to Net Day Participants, U.S. Newswire, NATIONAL DESK, EDUCATION WRITER, June 28, 1996.

²³ America's Children and the Information Superhighway, <http://www.koco.com/cp/report/stand.html>.

²⁴ Eric Blom, Cash Strapped Schools to Lose Out on Internet, Portland Press Herald, June 30, 1996 at 1A.

²⁵ Access to Information Highway: Library Computers, Balt. Sun, May 27, 1996 at 8A.

service agencies serving homeless and migrant farm workers, because it is through these organizations that these constituencies will receive their greatest access to telecommunications services. Homeless persons and migrant farm workers rely on non-profit and social service organizations for food, shelter, clothes, medical care, legal advice and access to the democratic process. Therefore, providing these institutions with discounted voice mail and 800 numbers, as well as discounts for phone initiation and access charges, increases their ability to distribute messaging services to their clients, receive phone calls from persons in need and acquire multiple phone lines to support the calling needs of many people simultaneously. Neither the library nor the school can serve as a repository of phones from which homeless persons and migrant farm workers can make calls and receive messages from prospective employers, landlords and family.

Therefore, providing discounts to non-profit and social service organizations serving homeless persons and migrant farm workers who serve as information centers and provide programs and resources to meet the social, medical, educational, and economic needs of migrant farm workers, homeless persons and their children is necessary and appropriate for the protection of the

public interest, convenience and necessity as described at length in the Coalition's earlier filings.²⁶

71. Should the new universal service fund provide support for the Lifeline and Linkup programs, in order to make those subsidies technologically and competitively neutral? If so should the amount of the lifeline subsidy still be tied, as it is now, to the amount of the subscriber line charge?

Although homeless persons are not eligible for Lifeline and Link Up by definition, once they acquire a home, these programs become their main means of connecting to the telecommunications network. Similarly, while migrant farm workers' access to basic phone service is severely limited while they are away from their homes, some migrant farm workers rely on these subsidy programs for phone service for the limited part of the year that they are home. Accordingly, the Coalition supports the preservation and improvement of these programs and oppose changes to their funding structure that would minimize the effectiveness of these programs.

However, because homeless persons and migrant farm workers' immediate needs are not met by these two programs, the Coalition

²⁶ Telecommunications Act, § 254(b)(7). See also Comments of the United States Catholic Conference et al at 4-8. at 11-12; Reply Comments of the United States Catholic Conference et al at 5-10.

strongly recommends that the FCC adopt a subsidy program whereby voice mail and other telecommunications services would be provided to homeless persons and migrant farm workers either through a qualified non-profit or social service organization or directly to an individual recipient. In either case, the Coalition agrees with the Comments of the American Association of Retired Persons, Consumer Federation of America and Consumers' Union that the best way to ensure the lowest cost rate is to increase competition among those companies providing the service.²⁷ For example, the shelter, social service agency, or non-profit organization who intends to offer voice mail could collect bids from the local exchange carriers (LECs), interexchange carriers (IXCs), cable companies and others who wish to provide the service. The contract would be awarded to the lowest bidder and only that provider would be entitled to recover a portion of their cost from the universal service fund.²⁸

²⁷ Initial Comments of the American Association of Retired Persons et al.; Reply Comments of the American Association of Retired Persons et al.

²⁸ A similar scheme should also be adopted to provide 800 numbers to non-profit advocacy and social service agencies. And Lifeline and Link Up programs could be extended to eligible non-profit organizations and social service providers to provide for

Similarly, an individual homeless person or migrant farm worker could apply to the LEC, IXC, cable company or other provider for voice mail directly. The company providing this service to the individual would then be entitled to recover the cost, equivalent to the costs recovered by the company charging the least for this service. So, if it costs the cable company \$5 to provide voice mail and the LEC provides the same service for \$3, then the subsidy recovered should not exceed the amount paid to the LEC.

As competition among telecommunication and information service providers increases²⁹ and results in the provision of new services by a variety of companies, the Coalition asks the Commission to promote the widest availability of meaningful services for free or at the lowest feasible cost to these constituencies.

reduced rate telephone set-up and access to additional phone lines.

²⁹ Erasing Barriers: FCC Officials Offer Hints on Direction of Interconnection Order, Communications Daily, July 17, 1996; Notice of Proposed Rulemaking in the Matter of Interconnection Between Local Exchange Carriers and Commercial Mobile Radio Service Providers, CC Dkt. No. 95-185, Released Jan. 11, 1996 ("overriding goal is to maximize the benefits of telecommunications for the American consumer and for American society as a whole").

CONCLUSION

The Coalition urges the Commission to respond to the statutory mandate of the 1996 Telecommunications Act to provide universal service to all Americans, including homeless persons and migrant farm workers, who are the most likely to be left out of access to even the most basic of services. Before addressing issues of affordability of universal service, the Commission must ensure that universal service is defined so as to include substitutes for residential phone service for those without a residential phone. Further, schools, libraries, non-profits and social service organizations located in rural, insular and high-cost and economically disadvantaged areas should all receive additional discounts as homeless persons and migrant farm workers rely on such organizations for access to basic and advanced telecommunications and information services. Finally, the Coalition endorses the provision of subsidies to those carriers who provide competitive access to telecommunications services for homeless persons and migrant farm workers.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ilene R. Penn', written over a horizontal line.

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August 2, 1996

CERTIFICATE OF SERVICE

I, Ilene R. Penn, hereby certify that I have this 2th day of August, 1996, mailed by first class United States mail, postage prepaid, copies of the foregoing Further Comments of the United States Catholic Conference et al. in the matter of "Federal-State Joint Board on Universal Service," CC Docket No. 96-45 to the following:

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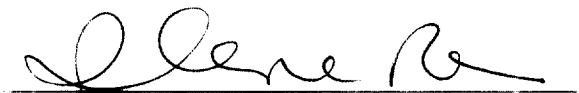
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